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UNCLAS SECTION 01 OF 03 TUNIS 000031

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NEA/MAG FOR HOPKINS AND HARRIS, EB/CBA (WINSTEAD/GILMAN),
EB/TRA/AN(FINSTON),
STATE PASS USTR (BURKHEAD),
USDOC FOR ITA/MAC/ONE (NATE MASON), ADVOCACY CTR (REITZE),
CASABLANCA FOR (FCS ORTIZ)
LONDON AND PARIS FOR NEA WATCHER

E.O. 12958: N/A

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SUBJECT: MDIC PREFERS HOLDING TIFA COUNCIL IN TUNIS ON
MARCH 10-11

REF: A. 07 TUNIS 1598

- [1](#)B. 07 TUNIS 1581
- [1](#)C. 07 TUNIS 1286
- [1](#)D. 07 TUNIS 1249
- [1](#)E. 07 TUNIS 948
- [1](#)F. 07 TUNIS 618
- [1](#)G. 06 TUNIS 2424

Summary

[1](#)1. (SBU) The Ambassador and Minister of Development and International Cooperation (MDIC) Jouini discussed substance and logistics for the upcoming US-Tunisia TIFA Council (Refs A-E) during a meeting on January 8. Jouini agreed that March 10-11, 2008 are good dates to conduct the next TIFA Council in Tunis. Both parties agreed that the focus of this Council should be in-depth discussions on market access, intellectual property rights, investment, and services. They also agreed it was important to also include a private sector component in the program and the Ambassador said that he would discuss this issue with relevant parties. Jouini also expressed an interest in possibly attending the upcoming US-Middle East and North Africa Trade and Investment Conference in Jordan on February 10-11. They discussed a trade and investment promotion tour of the United States some time in the late Spring or early Fall. The Ambassador also advocated for Boeing's proposal for Tunisair's aircraft replenishment. End Summary.

Logistics

[1](#)2. (SBU) Jouini told the Ambassador that he prefers that the next TIFA Council take place on March 10-11 in Tunis with the working groups meeting on March 10 and a plenary session on March 11. Separate meetings can be set up for AUSTR Donnell with relevant GOT officials on March 10.

Substance

13. (SBU) The Ambassador asked Jouini if there were any particular issues that he would like to put on the agenda or particular outcomes that he would like to aim for during the TIFA Council meeting. Jouini noted that the second TIFA Council held in June 2005 created working groups which were to work on progress in the following four areas:

- Services
- Intellectual Property Rights
- Investment
- Market Access

Unfortunately, the working groups have yet to meet. Thus, Jouini would like to have in-depth discussions on these four areas during the upcoming TIFA Council. He expressed hope that each of the four working groups will begin dialogue immediately and be able to make some progress by the March TIFA Council Meeting. Jouini is looking to come out of this Council with a clearer vision of where the US-Tunisian bilateral economic relationship is headed and agreement on how we can work together to advance the relationship and achieve common goals. Jouini said that the meeting will be useful for both sides in order to get the TIFA process back on track. For him the process is as important as the substance since it sends good signals to the private sector and to other interested parties (nfi). While the proceedings should involve mostly government-to-government discussions, the Ambassador and Jouini agreed that there should also be a private sector component. The hope is that members of the private business community from each side would come in and present their views on the practical implications of the

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Council's agenda items during this portion of the program.

There's a Need to Inform and Listen

14. (SBU) Jouini said that Tunisia is in the process of making reforms in many areas and knows that it needs to make progress in other areas. Jouini said that USTR and the USG need to know what Tunisia has done and what it plans to do during the next development cycle. Lamenting that the rising cost of energy was going to make accomplishing the goals outlined in the Eleventh Development Plan 2007-2016 (Ref F) difficult, Jouini said that the Tunisia also needs to hear the USG views on what the GOT is doing. The Ambassador suggested that the GOT might offer a presentation explaining the Eleventh Development Plan, its goals and orientations on the TIFA Council agenda. Jouini agreed and added that even though this TIFA Council would not be a negotiation, per se, it should be considered a preparation for some type of agreement, even if not an FTA. Both Jouini and the Ambassador agreed that this TIFA Council should focus on the four main areas but that the targeted outcome should be an agreement on how to approach individual issues and how to resolve differences.

BCIU US-MENA Trade and Investment Conference

15. (SBU) Jouini expressed interest in the Business Council for International Understanding (BCIU) US - Middle East North Africa (MENA) Trade and Investment Conference scheduled in Jordan on February 10-11. He indicated that either he or his Secretary of State Abdelhamid Triki may attend the

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conference. He was interested in learning more about the agenda and what ministers from other countries will attend.

The Ambassador requested that Jouini let him know who from Tunisia would attend as soon as possible and said that we would provide him with additional information as it becomes available.

Possible GOT Mission

¶6. (SBU) The Ambassador suggested that Jouini consider reaching out to the business community throughout the United States in order to promote and create trade relationships. Collaboration with groups such as the World Affairs Council of Dallas-Ft. Worth, the Wyoming State Partnership Program, Tunisian American Chamber of Commerce (TACC), and the National US-Arab Chamber of Commerce was put forth as a means to develop US-Tunisian trade. Jouini agreed that it was a good idea to travel and reach out to regions outside of Washington, D.C. He said that it would be good to follow-up the March TIFA Council by sending a GOT trade mission to the United States in late spring (June) or early fall. The Ambassador said that the key for a successful mission is to look for US companies that would be a good match for Tunisia and use them as a foundation on which to build cooperative trade relationships. Stating that this is the approach that Tunisia has taken with Germany and France, Jouini said that he would welcome our advice on US cities and business communities that Tunisia should reach out to. Jouini highlighted Microsoft as a good example of a partnership that is beneficial for both sides. (Note: During the Microsoft Government Leaders Forum in South Africa July 11-12, 2006 the GOT and the Microsoft Corporation signed a partnership agreement that provides for Microsoft investment in training, research, and development, but also commits the GOT to using licensed Microsoft software. Ref G. End Note.) Jouini indicated that Microsoft is planning to install a technical platform in Tunisia.

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Advocacy - Boeing

¶7. (SBU) The Ambassador encouraged Jouini to ensure that Boeing's submission responding to Tunisair's aircraft replenishment tender be given due consideration and that the competition be open and fair. Jouini said that while the GOT will be looking to get the best deal and partnership that it can out of this competition between Boeing and Airbus, the bid review process will be open and fair.

Comment

¶8. (SBU) The meeting was fruitful and very positive. Our next steps should be to build on this momentum and encourage the four working groups to begin a regular dialogue on their respective issues. The working groups should flesh out and prepare for the TIFA Council agenda items and areas in which concrete progress can be achieved and areas that require further discussion. End Comment.

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<http://www.state.sgov.gov/p/nea/tunis/index.cfm>
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